

HOUSE BILL 704

Q1

2lr1952

By: **Delegates Buckel, Anderton, Arentz, Boteler, Cox, Ghrist, Griffith, Hartman, Hornberger, Howard, Kipke, Krebs, McComas, McKay, Munoz, Novotny, Otto, Reilly, Rose, Saab, and Shoemaker**

Introduced and read first time: January 31, 2022

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Homeowners' Property Tax Credit – Eligibility – Net Worth**

3 FOR the purpose of altering a certain restriction on eligibility for a certain homeowners'
4 property tax credit based on a homeowner's net worth; and generally relating to the
5 homeowners' property tax credit.

6 BY repealing and reenacting, without amendments,

7 Article – Tax – Property

8 Section 9–104(a)(1), (2), and (12)

9 Annotated Code of Maryland

10 (2019 Replacement Volume and 2021 Supplement)

11 BY repealing and reenacting, with amendments,

12 Article – Tax – Property

13 Section 9–104(j)(1)

14 Annotated Code of Maryland

15 (2019 Replacement Volume and 2021 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

17 That the Laws of Maryland read as follows:

18 **Article – Tax – Property**

19 9–104.

20 (a) (1) In this section the following words have the meanings indicated.

21 (2) (i) “Assets” include:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 1. real property;
- 2 2. cash;
- 3 3. savings accounts;
- 4 4. stocks;
- 5 5. bonds; and
- 6 6. any other investment.

7 (ii) "Assets" do not include:

- 8 1. the dwelling for which a property tax credit is sought
9 under this section;
- 10 2. the cash value of the life insurance policies on the life of
11 the homeowner;
- 12 3. the cash value of any qualified retirement savings plans or
13 individual retirement accounts; or
- 14 4. tangible personal property.

15 (12) "Net worth" means the sum of the current market value of all assets,
16 less any outstanding liability.

17 (j) (1) A property tax credit under this section may not be granted to a
18 homeowner whose:

19 (I) combined net worth exceeds ~~[\$200,000]~~ **\$600,000** as of
20 December 31 of the calendar year that precedes the year in which the homeowner applies
21 for the property tax credit; or

22 (II) [whose] combined gross income exceeds \$60,000 in that same
23 calendar year.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
25 1, 2022, and shall be applicable to all taxable years beginning after June 30, 2022.